

Pediatric Immunization Financing

Summary of Discussion at the AAP/AMA
Immunization Congress

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Groups Represented at the AAP/AMA Immunization Congress

- Private providers
- Medical and Public Health Societies
- Insurers
- Employers
- Manufacturers
- Government
 - Federal, State, and local
- Others

Basic Consensus I

- Support Universal Access to All ACIP recommended vaccines without financial barriers
- Solving financial barriers is necessary but not sufficient to ensure high immunization coverage
- The private/public sector collaboration in vaccine delivery should be maintained
 - Army of private providers enlisted in a public health goal
 - Medical Home can add more medical benefits to children than vaccines alone
 - Best way to assure continued private sector participation is to assure some reasonable return on investment beyond costs

Basic Consensus II

- Vaccines are different from most other prevention measures
 - Vaccinee receives direct protection
 - Vaccinee by not transmitting infectious agents also indirectly protects other members of society
- Solutions need to solve problems in every state. Otherwise, some states may become reservoirs for disseminating infectious diseases throughout the United States

Basic Consensus I I I

- The problem list is long
 - Underinsurance
 - Inadequate or non-timely reimbursement
 - Coverage for all vaccine and non-vaccine costs
 - Vaccine ordering, storage, handling
 - Vaccine administration
 - Medicaid reimbursement for administration

Recommendations I

- Work with FQHCs to delegate authority to public health clinics to serve underinsured through VFC
 - Decreases pressure on need for 317 appropriations
 - Offers safety net for referring underinsured children to public clinics for vaccines if other solutions to underinsurance not found
 - Supported by all including manufacturers provided it did not decrease the private market

Recommendations II

- Obtain data ASAP on the actual cost of delivering vaccines in private practice settings
 - Use methods accepted by CMS and business groups to calculate costs
 - Obtain input into studies from the above groups
- AAP and AAFP should use the data to educate major insurers and advocate for better reimbursement rates
 - Inadequate admin fees mentioned as number one practice problem
- They should also advocate for contracts that cover vaccine price increases

Recommendations III

- The AAP and AAFP should work with manufacturers and distributors to obtain more favorable terms for payments for vaccine inventories
 - This is probably most important for smaller practices
 - Efforts should focus on the new vaccines which require new and potentially large up front investments
 - Solving this issue should be in the interests of manufacturers and if necessary could be built into pricing

Recommendations IV

- AAP and AAFP should work with AMA's RUC to better define all of the components that go into CPT codes for Vaccine and Vaccine Administration
 - This should include determining which codes cover overhead, storage, alarm, insurance for catastrophic loss etc.

Recommendations V

- NVAC working group on financing should examine the potential role of tax credits for insurers and/or employers in eliminating underinsurance
 - The group believed that more work was needed to determine how such incentives could be enacted and whether they would provide value added to getting children immunized

Recommendations VI

- A working group should be convened of key stakeholders, including manufacturers, to determine whether some form of universal federal vaccine purchase or funding should be pursued
 - This option has been vigorously opposed by vaccine industry in the past
 - The question is whether such a program can be constructed in a way to get their support as well as that of other key stakeholders

Recommendations VII

- AAP and AAFP should obtain from CMS the data that led to the current administration fee for influenza under Medicare
- The societies should use that data to advocate at the state level for enhanced Medicaid reimbursement
- CDC should publish the current Medicaid reimbursement rates by state to be used to advocate for higher fees
- Use data on the studies called for in Recommendation II to also advocate for higher fees

Recommendations VIII

- Data should be collected on the true cost of obtaining and administering combination vaccines compared to individual vaccines to try to make the case for their use
 - The ACIP is previously on record supporting their use over single vaccines
 - It will be important to show combination vaccines truly cost more to administer

Recommendations IX

- AAP and AAFP should collect data on best business practices that minimize vaccine and vaccination costs
- They should disseminate this information to their membership